



**Livestock and Seed Program
Audit, Review, and Compliance Branch
Quality System Audit Report**

AUDIT INFORMATION

Applicant Name:	Minnesota Crop Improvement Association (MCIA)
Est. Number:	N/A
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Contact & Title:	Cindy Wippler, Manager of Organic Services
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Auditor(s):	Steve Ross
Program:	USDA National Organic Program (NOP)
Audit Date(s):	November 20, 2007
Audit Identifier:	NP7033DDA
Action Required:	Yes
Audit Type:	Corrective Action Audit
Audit Objective:	To verify that corrective actions adequately address the non-compliances identified during the on-site Accreditation Renewal Audit
Audit Criteria:	7 CFR Part 205, National Organic Program, Final Rule, dated December 21, 2000, updated September 11, 2006
Audit Scope:	Submitted Corrective Actions
Location(s) Audited:	Desk

Minnesota Crop Improvement Association (MCIA) submitted corrective actions to the USDA NOP on November 8, 2007, and were forwarded to the auditor of record. Submitted corrective actions included:

- Letter detailing corrective actions;
- Revised Organic Certification Handbook;
- Revised fee schedule and cost estimate form; and
- Correspondence from on-site inspector and client reviewed during MCIA on-site audit.

FINDINGS

The corrective actions submitted by MCIA adequately addressed one non-compliance and did not adequately address two of the non-compliances.

NP7033DDA.NC3 – Adequately Addressed - NOP §205.642 states, "...The certifying agent shall provide each applicant with an estimate of the total cost of certification and an estimate of the annual cost of updating the certification.... The certifying agent may set the nonrefundable portion of the certification



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fees; however, the nonrefundable portion of certification fees must be explained in the fee schedule submitted to the Administrator.”

1. *MCIA is not providing the applicants with an estimate of the cost of certification or annual cost of updating certification. MCIA is providing the applicants with the fee structure and requiring the applicant to figure their own cost.*
2. *MCIA is requiring a \$50 application fee each year that is non-refundable. MCIA has not explained this on the fee schedule submitted to the Administrator.*

Corrective Action: MCIA requested further clarification as to whether or not a fee estimate needs to be given if MCIA issues a verbal estimate at the time potential client requests information. The response is that a fee estimate must be given for both initial and annual recertification. MCIA fee schedule as reviewed is complicated and would require a fee estimate. MCIA submitted a new fee schedule that has identified the application fee as non-refundable and MCIA also submitted a fee estimate form that adequately addressed the fee estimate.

NP7033DDA.NC1 – Not Adequately Addressed - NOP §205.403(c)(1-3) states, “The onsite inspection must verify 1) the operation’s compliance or capability to comply with the Act and the regulations in this part; 2) that the information, including the organic production or handling system plan, provided in accordance with the §§205.401, 205.406, and 205.200, accurately reflects the practices used or to be used by the applicant for certification or by the certified operation; and 3) that prohibited substances have not been and are not being applied to the operation....” *During the witness inspection of the handling operation, the inspector failed to review the following parts of the organic system plan or information provided by the certifying agent.*

1. *The cleaning agent identified (SEPCO) as an organic cleaning agent for final rinse was not reviewed to determine the acceptability of the product.*
2. *The finished product labels were not reviewed for comparison to labels approved by MCIA.*
3. *The citric acid used as a Non-agricultural product was not reviewed to determine compliance to §205.605(a).*
4. *The inspection did not verify the organic status of raw materials on hand in the warehouse to determine compliance.*
5. *The inspector did not inform the company during the exit meeting of the need for the company to have a copy of the NOP Rule in order to ensure that the company was producing product in compliance to the NOP Rule.*
6. *The preliminary review of the organic system plan found that the company indicated the retention of records was for 3 years. MCIA requested that the inspector verify that the company would keep records for 5 years. The companies batch sheets for ground chicken meat stated to “keep this record for one year”. The inspector did not verify the records would be kept for 5 years.*

Corrective Action: MCIA conducted employee training on November 1, 2007 entitled “Conducting a Good Audit”. MCIA did not submit training attendance or scope of training as supporting documentation.

MCIA also addressed each of the above six issues with the inspector of record for the client. MCIA will now verify all non-agricultural ingredients on an annual basis and that clients are keeping records for the five year requirement. MCIA obtained information from the client on the citric acid which verified compliance; MCIA reviewed the cleaning agent and also found it to be acceptable as well as the client maintaining records for five years. The inspector was accompanied on another processor inspection by



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the Manager of Organic Services to verify the inspector's ability to review the OSP and gather information in order for MCIA to make a certification decision. The review found that the inspector was doing an adequate job.

NP7033DDA.NC2 – Not Adequately Addressed - NOP §205.501(a)(21)(b)(2) states, "A private or governmental entity accredited as a certifying agent... does not require compliance with any production or handling practices other than those provided for in the Act...." *The MCIA Organic System plan and MCIA Organic Handbook Procedures given to the client has additional requirements not accounted for in the Act.*

1. *Land Requirements: A minimum buffer zone of 25 feet will be required from adjoining land not under organic management.*
2. *Adjacent land owners must be given notice of intent to produce an organic crop.*
3. *Crop Rotation: MCIA requires a minimum of three crops in a crop rotation plan for annual crops. Of these three crops, no more than two can be row crops, and the other should be a solid-seeded or turf crop.*
4. *MCIA is approved for USDA ISO Guide 65 but only issues client certificates as approved to the NOP Organic Standard. MCIA is requiring all clients to have complaint files as a condition of certification for the NOP Standard.*

Corrective Action: MCIA submitted a revised Organic Certification Handbook in which "all additional requirements not accounted for in the NOP have been removed." In addition, MCIA has changed the wording on the complaint log to make it an optional record for NOP certified operations. MCIA is in the process of updating all OSP's and removing additional requirements not accounted for in the NOP. MCIA needs to submit the revised OSP's when completed for review. In a review of the Handbook, MCIA replaced the word "required" with the word "recommends". Although this meets the intent of the NOP, when in print format, the client will continue to regard this as a requirement. MCIA still makes the crop rotation a requirement in the wording by requiring the client to follow the crop rotation or submit a reason why they are not following it. MCIA is requiring the inspector to submit an inspection report to the client when in fact it is MCIA's responsibility. MCIA "Handlers" states, "A product recall system must be in place, and all certified organic handlers must have an organic complaint file." These statements are not consistent with the corrective actions MCIA proposed.